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## **The role of Brand Orientation on Consumers Perceived Authenticity**

ERIKA BERGAMELLI

27455

A Project carried out on the Master in International Management Program, under the supervision of:

Professor Irene Consiglio

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## ABSTRACT

The present research investigates the role that brand orientation plays on consumers' perceptions of authenticity and whether this influences their choice of brands.

This work proposes that a consumer orientation – an orientation in which a company focuses on the needs of consumers - might be perceived as less authentic (vs. other orientations) and therefore might be less beneficial for brands.

Two online studies – one correlational and one experimental - provide support for this hypothesis. The research demonstrates that consumers infer more authenticity from brands which are not perceived as consumer-centric: in fact, the social cost – the negative effect that a certain behavior might cause - in which such firms might incur in is compensated by the trust that consumers will address towards a brand that they perceive as more authentic. The present research also explores whether skepticism moderates this effect.

Consequences in terms of purchase intention, trust, word-of-mouth and perceived quality are also investigated.

Finally, the research does not suggest that one orientation *in itself* is better than the others, but it investigates *perceptions* of consumers in terms of authenticity.

Key words: authenticity, brand orientation, consumer centricity, consumers' perceptions.

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## INTRODUCTION

A well-known principle taught in business schools is that companies should be customer-centric (Beverland et al., 2008) and that this orientation is positive in terms of gaining consumers' trust and therefore increasing their intention to purchase. However, the present research investigates whether, under certain circumstances, a consumer-centered approach might actually be less beneficial to brands in terms of perceived authenticity. The present work proposes that when consumers are aware that a company is using a consumer-centered approach, this might be counterproductive in terms of perceptions, because it might be interpreted as having ulterior motives, for example pushing sales or making money, and therefore as inauthentic. It should be pointed out that the present research does not intend to suggest that one orientation *per se* is better than the others, but it is examining perceptions of consumers in terms of authenticity. Indeed, I investigate how certain companies might be better off giving the impression that their decisions are not intentionally driven by the market and how consumers might infer more authenticity from this approach.

The present research finds its foundation in the existing literature on authenticity (Bruhn, Shoenmüller, Schäfer and Heinrich; Beverland et al), in order to investigate the consequences of a certain brand orientation in this direction. Different consumers' attitudes are examined: purchase intention, trust, word-of-mouth and perceived quality. The current research proposes that consumers will be more likely to purchase a brand when they perceive it to be more authentic. Similarly, trust, WOM and perceived quality are investigated.

Marketing textbooks suggest that companies should make an effort in understanding consumers' needs and preferences in order to create a product or service right for them. Thus, one relevant question is why a consumer oriented brand might be perceived as less authentic compared to other brands. Although this might sound as a paradox, the current research presents

some constructs that might support this idea. Social cost theory and skepticism are taken into account to build the hypothesis.

The present research does not want to assume that a consumer-centric brand is not oriented towards quality or innovation nor that it is necessarily hiding something from consumers: indeed, there are brands that are moving towards both consumer and product orientations and have proven to be very successful. However, what the present research is investigating are *perceptions* of consumers in terms of authenticity and whether they might be associated to a certain behavior of a brand.

Two surveys conducted online provide support for the discussion of the hypotheses.

## **THEORETICAL BACKGROUND**

Prior research on authenticity has mostly focused on understanding what type of factors influence perceived authenticity. Abundant research has investigated and defined authenticity integrative frameworks (Morhart et al., 2015) and measurement scales (see [www.authentic100.com](http://www.authentic100.com)). Past work has also examined the role that authenticity plays in the purchase decision process and its related consequences (Beverland et al., 2008).

However, amidst this research on the content characteristics of perceived authenticity, little is known about how the orientation of a brand might affect consumers' perception of authenticity. In particular, few papers focus specifically on this characteristic of brands, assuming that a consumer orientation is generally more beneficial for brands.

Investigating perceptions of authenticity may help better understand consumers' behavior and might explain the correlation between this and other marketing constructs.

## CONCEPTUAL DEVELOPMENT

The focal concept of this work is around consumers' *perceptions* in terms of authenticity – how people value the behavior of a company in terms of trust and reliability (Grayson and Martinec, 2004). In the present research, the key concept is how this perception relates to the orientation of a brand – i.e. consumer orientation vs. other orientations. Consistent with this focus, the main independent variable is *brand orientation*. The key dependent variables investigated in this research are perceived authenticity, purchase intention, trust, perceived quality and word-of-mouth. Specifically, I investigate the hypothesis that consumer orientation is perceived as less authentic compared to other orientations.

Against this background, in order to better understand the nature of perceived brand authenticity and how a certain brand orientation might affect it, the research presents a conceptual framework which relates to other theoretically and managerially meaningful constructs.

### 1. AUTHENTICITY

Authenticity refers to something that is genuine, of undisputed origin or veracity (Soanes and Svensson, 2004) and that is associated with reality and truth (Grayson and Martinec, 2004). It has also been defined in terms of sincerity, innocence and originality (Fine, 2003) and related to concepts such as being natural, honest, simple and unspun (Boyle, 2003). Bruhn, Shoenmüller, Schäfer and Heinrich (2012) state that brand authenticity is especially strong in times of uncertainty and change, when consumers struggle to distinguish between what is real and what is not, and seek to relieve these feelings of ambiguity by consuming authentic brands. Indeed, in today's uncertain and fast-paced world, people feel the need to find something that they can trust. On the other hand, the search for authenticity is also seen as a reaction to the homogenization of the marketplace (Beverland and Farely, 2010). In order to distinguish

themselves from the others, consumers manifest themselves in their choice of authentic brands. Indeed, authenticity plays a crucial role for consumers in their choice of brands and serves as a signal of quality and transparency. Being authentic has also been paired with the behavior of going against established conventions (Beverland et al., 2008), meaning that it is associated to intuitions and spontaneity rather than commercial motives or self-interest.

The nature and meaning of authenticity has long been debated: traditionally, authenticity was considered as something objective (Postrel, 2003), which implied conforming to original principles and traditions. However, the limitations of this view are related to the fact that it does not take into account consumers' subjective perceptions. The distinction between the authentic and inauthentic tends to be subjective and socially or personally constructed (Grayson and Martinec, 2004; Leigh et al., 2006).

Authenticity is not something that can be faked: it is often referred to as the opposite of mass marketing, advertising, and brand building (Beverland et al., 2008). However, building it is not easy, especially since the term is becoming so overused that firms need to make an effort to demonstrate they are really authentic (Mack, 2009). Beverland (2005) already argued that brand meaning is conveyed by day-to-day interaction between the brand and subcultures, challenging the view according to which marketers provide brands with meaning. In addition, it also challenged the role of marketers by stating that people behind authentic brands are believed to act with integrity, honesty and a commitment to the product rather than commercial motives (Beverland et al., 2006). Indeed, many iconic and successful brand owners are not formally marketers. This does not mean that such brands do not have a marketing department, of course they do, but they might not show it blatantly to the consumers or they do not even call it marketing (Beverland et al., 2008).

## 2. CONSUMER ORIENTATION vs. PRODUCT ORIENTATION

One relevant question is whether and how the orientation of a brand plays a role in affecting consumers' perceptions of authenticity. In particular, the present research investigates whether different orientations influence consumers' general propensity to perceive a brand as authentic. Drawing on research on perceived authenticity, costly signaling theory and different marketing orientations, the research proposes that consumer (vs. other) orientations make consumers experience a decrease in their perception of authenticity. The present research investigates, in turn, whether this perception makes them less likely to engage in purchase decisions.

The present research identifies the product orientation as a control condition, in order to measure how consumers' perceptions change according to the different orientations. An important point to make is that, this research focuses on whether a company is *perceived* as consumer or product oriented and not on what its actual orientation might be.

It should be pointed out that, although established definitions of the consumer (vs. product) orientations already exist, it is not always straightforward to identify a firm according to these definitions. Some firms, indeed, might be perceived as belonging to both orientations. According to the present research this depends on the perceptions that consumers have regarding certain firms. For this reason, the present research investigated (see Study 1) how consumers perceive certain firms to be oriented.

### 2.1. Consumer orientation

A consumer orientation is defined as a marketing approach which places the consumers at the center of the business decisions. Consumer oriented organizations are the ones where decisions about the product are made based on aligning customer needs and wants with the overall goals of the organization (Nwankwo, 1995). Since consumers' needs are evolving, firms need to take into account the actual consumers demand in order to satisfy it better than competitors. As



defined by Kotler (2013), it “means that the entire company obsesses over creating value for the customer and views itself as a bundle of processes that profitably define, create, communicate, and deliver value to its target customers”. The present research does not want to argue that a consumer-centric approach is not beneficial, per se. But when the orientation towards consumers is blatant and consumers know about it, it might backfire. This research challenges the notion that being perceived as customer-centric is the best practice to gain consumers’ trust: many consumer oriented firms focus on understanding whether consumers are aware of their brands and what meaning consumers give to them (Holt, 2004). They invest extensively on market research and communication. However, consumers might interpret a brand’s meaning in their own way, which might be far from what marketers meant.

The customer oriented dimension can be reflected, to some extent, by the consumer intimacy concept, which focus on close, trustful, and durable relationships with customers (Bove and Johnson, 2001). Being close to the customers allows for an improved customer satisfaction and a better understanding of consumer’s needs, so that customer-oriented firms might also shape and influence consumers’ preferences (Simonson, 1993). On the other hand, the present research investigates whether being a consumer oriented firm might result in having other reasons behind and being opportunistic in the eyes of others.

## 2.2 Product orientation

Trying to move in an opposite direction compared to a consumer oriented firm, the present research focuses on other brand orientations. In particular, what is emphasized here is a product-centric approach. A product orientation focuses on the intrinsic characteristics of the product, such that owners of such brands do not do any, or little, market research since they believe that if they produce a great product, consumers will come to them. Product orientation is the degree to which the organization focuses on understanding of the product. In a product-oriented

organization, product is the reason for being (Houston, 1986) and success requires superior product technology (Hayes and Abernathy, 1980).

In general, theory usually suggests that marketers should understand what consumers want before creating the right product for them. However, it could be argued that consumers might not know exactly what they want. For such reason, focusing on product breakthrough might be a sign of authenticity in the eyes of consumers. By referring to the dichotomy of consumer orientation and product orientation, it might result that a consumer orientation better suits the needs of consumers and therefore that a consumer oriented brand might be preferred over a brand which indeed is focusing on its product. However, prior literature has already found counterintuitive effects of approaches that are not consumer-centric. For example, when a brand rejects a consumer, such in the case of luxury brands, consumers are ironically more drawn to the brand (Ward and Dahl, 2014). Consumer rejection takes place when a brand is not making an effort in the direction to please the consumer. Indeed, a rejecting brand might be associated to a product oriented firm. Notably, rejection by a brand increases consumers' desire to affiliate with it and might result in perceiving a brand as more frank and sincere. Existing literature in the field of sociology discusses the idea that rejection encourages people to elevate their perceptions of their rejecters and strengthens their predilection to affiliate with them (Ward and Dahl, 2014). Indeed, a rejecting brand is acting in an insolent way, regardless of the others opinion, but at the same time being frank and straightforward and this might in turn result in being associated with an authentic attitude.

### 3. SKEPTICISM and COSTLY SIGNALING

#### 3.1 Skepticism

The present research takes into account the concept of skepticism as a moderator in terms of perceived brand authenticity, exploring whether consumer skepticism influences the

relationship between a brand's orientation and perceived brand authenticity. It is investigated whether a skeptic consumer might be more likely to infer ulterior motives (and therefore inauthentic behavior) from consumer oriented brands. Consumer skepticism is defined as the tendency toward disbelief of advertising (Obermiller and Spangenberg, 1998) or marketing claims. Literature has argued how skeptical consumers develop persuasion knowledge (Campbell and Kirmani, 2000), according to which they develop beliefs about motives and strategies. Highly skeptical consumers generally respond less positively to marketing communication and respond more positively to emotional appeals than to informational appeals (Obermiller, Spangenberg, MacLachlan, 2005).

While consumer oriented brands express openly their focus on consumers, showing their ability to target the right segments and satisfying consumers' needs, using extensive market research, product oriented brands are instead more discrete in their approach. The present research is addressing the idea that authentic brands are usually the ones that do not need to manifest their closeness to consumers nor to communicate it over and over. In contrast, they rather demonstrate the quality of their product by letting craft techniques and innovation stand up for the brand, instead of well-thought marketing techniques.

### 3.2 Costly signaling

Drawing on costly signaling theory, the present research investigates the idea that a product oriented firm, since it is not directly addressing consumer's needs, might incur in a social cost. The fact that a firm is willing to bear this cost, might be perceived as a signal of authenticity and lead to positive inferences in the eyes of consumers. Costly signaling theory (Grafen, 1990, Zahavi, 1975) explains how individuals, in this case brands, use costly behaviors to convey information about themselves. Costly signaling theory explains how, although costly, certain signals may benefit the brand indirectly. Since such signals are expensive, a costly signal can credibly reveal information. The present research assumes that a product oriented brand is using

costly signals by not addressing consumers directly. A product orientation might be judged negatively, especially at a first glance and according to established cultural norms and codes. For this reason, when a brand does not necessarily make an effort to behave nicely, it is bearing a social cost. However, consumers might attribute higher authenticity in response to signals of non-customer centricity, since choosing to focus on the product over a consumer oriented approach might signal that one has the autonomy to bear the social cost.

If it is true that a brand which focuses on the product is perceived as more authentic, then it follows that the social cost will be compensated by a trustful relationship with the consumers.

In other words, the present research seeks to demonstrate that consumers attribute higher trust and authenticity in response to signals of non-customer centricity because they believe that the customer centric brand might have ulterior motives. Even though it might be argued that often consumer orientation is associated merely with market research or advertising, which might deviate consumers, it is also true that consumer orientation uses marketing in order to signal a product's positioning and quality. However, this might work in the opposite direction when this is too blatant, inducing consumers to perceive a brand as fake and inauthentic. The current research investigates whether another orientation, which is not strictly addressing consumers, might increase perceived quality and increase perceived authenticity.

#### 4. HYPOTHESIS

Focus of analysis: how external observers perceive and interpret the orientation of brands in terms of authenticity. Rather than examining brands' decisions and motives to choose a certain orientation, this research will focus on investigating the consequences of a certain orientation on consumers' authenticity perceptions.

H1: Consumer oriented brands are perceived as less authentic than brands with another orientation (i.e. product oriented brands).

H2: Consumer orientation leads to lower perceptions of authenticity, which in turn leads to lower purchase intention.

H3: A not-consumer oriented firm is trusted more by consumers, as they perceive it as more authentic. Similarly, word-of-mouth and perceived quality are associated to authenticity.

H4: Observers' skepticism moderates and influence the way in which they evaluate a consumer orientation vs. other orientations: a more skeptical consumer might perceive a consumer oriented brand as even less authentic.

## **OVERVIEW OF STUDIES**

To test my predictions, I conducted two studies. Study 1 establishes a correlation between some of the most (and some of the least) authentic brands according to the brand authenticity index ([www.authentic100.com](http://www.authentic100.com)) and the perceptions that participants have of these brands, both in terms of brand orientation that in terms of perceived authenticity.

Study 2 extends these results by testing whether consumers perceive as less authentic a brand which is described using the characteristics of a consumer oriented brand (vs. a product oriented one).

### **STUDY 1**

Study 1 had the main goal to provide a first correlation between the factors studied in this research, in particular, whether the most and the least authentic brands in the brand authenticity index are also perceived as authentic and inauthentic and whether this correlates with their orientation. First of all, I investigated the brands ranked in the brand authenticity index ([www.authentic100.com](http://www.authentic100.com)) by looking at the criteria considered for the ranking. Secondly, I created a survey to test whether participants considered the brands in the index as consumer oriented or as having another orientation. The brands chosen for the survey are all present in

the index but they score more or less high in terms of authenticity. Study 1 also wants to investigate the correlation between the perceived orientation of these brands and their score in the authenticity index. The study was carried out in order to understand the correlation between the existing source of secondary data of the brand authenticity index and the brand orientations of some of the companies mentioned in the index. In the index, the concept of authenticity has been studied as a guiding principle and business practice. The authenticity index measures consumers' perception of authenticity, based on an extensive number of surveys distributed to consumers in fourteen markets on more than 1600 brands (see [authentic100.com](http://authentic100.com)). According to this index, perceived brand authenticity is defined as “the extent to which consumers perceive a brand to be faithful toward itself, true to its consumers, motivated by caring and responsibility, and able to support consumers in being true to themselves”. The brands are rated against seven key attributes of authenticity, clustered into three distinctive drivers of authenticity, namely *reliable*, *respectful* and *real*.

The present research investigates whether the companies which score higher (vs. lower) in the authenticity index are perceived by participants as consumer oriented or as product oriented. Amazon is the company ranking the highest score in the authenticity index, with Apple, Microsoft and Google following. Among the brands at the bottom part of the list, Pizza Hut, Volkswagen and Prada were included in the survey.

### Methodology

The survey was divided into two parts: the first part intended to measure perceived orientation while the second part investigated perceptions of authenticity. First of all, participants read two theoretical definitions of consumer orientation and product orientation (see Appendix A). Although the meaning of the two orientations might seem counterintuitive from the words “consumer” and “product”, I preferred to present respondents with two definitions in order to make it clearer and easier to rate the dimensions investigated in the survey. After reading the

descriptions, respondents were asked to rate six brands (Amazon, Facebook, Apple, Volkswagen, Pizza Hut and Prada).

Following, to reinforce the perceptions of orientation, consumers were asked to rate the extent to which each of the brands focus on several factors reflecting the two orientations, respectively: quality, marketing focus and innovation.

Participants were then presented with a simple filler task with the purpose of separating the two parts of the survey. In the second part, I asked participants to rate the extent to which they perceived the brands as authentic.

## Results

Forty people participated in the online survey (male = 42.5%, female = 57.5%).

Participants were asked to rate six brands, respectively: Amazon, Facebook, Apple, Volkswagen, Pizza Hut and Prada. In order to assess whether there was a correlation between the measure of perceived orientation and perceptions of authenticity, I firstly took into consideration the two most authentic brands in the index (Amazon and Apple) and the least authentic (Pizza Hut and Prada) and I averaged their results. Following, I took into account separately each brand, to see whether there were significant results among them. I performed a paired sample t-test, comparing the means of the most and the least authentic brands.

The most authentic brands (based on the authenticity index) were perceived significantly more authentic than the least authentic ones ( $p < .002$ ). Similarly, among the brands (rated as 1 = *Extremely consumer oriented* and 7 = *Extremely product oriented*), the most authentic brands were perceived as more product oriented than the least authentic brands ( $p < .001$ ). Referring to the other variables investigated in the survey, innovation and quality, the most authentic brands in the index were perceived as having a higher focus both on innovation and quality compared to the least authentic brands ( $p < .005$ ). The last dimension investigated was whether participants perceived the brands to have a high focus on marketing: opposite from previous

results, the difference between the means of the most and least authentic brands did not produce significant results for this variable ( $p > .134$ ).

Looking separately at each brand, Apple ( $M = 5.7$ ;  $SD = 1.56$ ) was significantly perceived more product oriented than Pizza Hut ( $M = 3.47$ ;  $SD = .9$ ;  $p < .001$ ). Similarly, in terms of quality, Apple was perceived as having a higher quality ( $M = 5.93$ ;  $SD = 1.36$ ) than Pizza Hut ( $M = 3.125$ ;  $SD = 1.07$ ;  $p < .015$ ). However, it was not the same for Prada, which, although in the index was ranked as one of the least authentic brands, Study 1 did not produce significant results in terms of quality between Apple and Prada ( $M = 5.18$ ;  $SD = 1.13$ ;  $p > .26$ ). In terms of innovation, Amazon was significantly perceived as having a higher focus on innovation ( $M = 5.73$ ;  $SD = .78$ ) than Pizza Hut ( $M = 2.25$ ;  $SD = .74$ ;  $p < .001$ ) as well as than Prada ( $M = 3.18$ ;  $SD = 1.01$ ;  $p < .001$ ).

## STUDY 2

The purpose of this study is to develop an understanding of brand authenticity and different brand orientations. Despite several efforts aimed at defining and investigating brand authenticity (Napoli, Beverland and Farrelly, 2014), questions regarding its measurement, drivers and consequences, as well as the underlying processes and boundary conditions remain. In order to test the hypothesis, participants have been presented with two descriptions of two anonymous brands, respectively one consumer oriented and one product oriented. I decided to contextualize the survey by relating the brands to the technology field, in order to help participants thinking about a brand and in order not to make my hypothesis too explicit. However, this served only to present a background: the present research does not intend to investigate a specific domain but it wants to have a general understanding on the topic.



## Methodology

A sample of one-hundred and twenty respondents (male = 42.4%, female = 57.6%) participated in two different online surveys: respectively, sixty responses were gathered for a consumer oriented brand and sixty for a product oriented one.

Whereas in study 1 respondents were presented with well-known brand names, taken from the authenticity index (authentic100.com), in study 2 they were presented with two general descriptions of brands and were asked to rate the two according to several dimensions. The two surveys were administered to different participants in order to avoid any kind of bias. Participants were randomly assigned to one of the two conditions. The choice of a product oriented brand vs. a consumer oriented one was based on the need to make it clearer and easier for participants to distinguish consumer orientation from other approaches.

Sixty participants read the description of an anonymous consumer oriented brand while other sixty participants read the description of an anonymous product oriented brand (see Appendix B). Participants were then asked to rate the brand according to several dimensions (which were the same for the two surveys). Beside asking directly whether consumers perceived the brands to be authentic, the main variables investigated were purchase intention, trust, perceived quality and word-of-mouth. Moreover, participants were asked to rate their level of skepticism and their likelihood to trust other people's opinion when purchasing a product. Perceived brand authenticity was measured by using a seven-point Likert scale (anchored 1 = *Strongly disagree*, 7 = *Strongly agree*).

## Results

An Independent Sample T-test was performed in order to analyze the correlation between the independent variable, i.e. the orientation of a brand and several dependent variables.

*Purchase intention.* Respondents who read the consumer-oriented brand indicated that they were less likely to purchase the product described ( $M = 3.53$ ,  $SD = .99$ ), than were respondents in the control condition ( $M = 3.98$ ,  $SD = 1.11$ ;  $p < .021$ ).

*Trust.* Respondents who read the consumer-oriented description rated the brand as a brand that they would trust less ( $M = 3.77$ ,  $SD = .93$ ) than respondents who read the product oriented description ( $M = 4.23$ ,  $SD = .98$ ;  $p < .009$ ).

*Perceived quality.* There was no significant effect between conditions ( $p > .889$ ).

*Word-of-mouth.* Respondents who read the consumer-oriented description rated the brand as a brand that they would recommend less ( $M = 4.02$ ,  $SD = .91$ ) than respondents who read the product oriented description ( $M = 4.40$ ,  $SD = .848$ ;  $p < .019$ ).

*Perceived authenticity.* Respondents who read the consumer-oriented description perceived the brand as less authentic ( $M = 4.13$ ,  $SD = .724$ ) than respondents who read the product oriented description ( $M = 4.45$ ,  $SD = .832$ ;  $p < .028$ ).

The test shows that the brand description significantly affected all the dependent variables, with the exception of *perceived quality*. Purchase intention, trust, WOM and perceived authenticity are significantly and positively associated with a product orientation, while perceived quality is not. This might suggest that brand orientation is not considered as an element that might influence quality and that consumers might perceive quality in a brand even when the brand has different orientation.

In order to assess whether the effect of authenticity on purchase intention is significant, as predicted in hypothesis 2, I performed a mediation analysis. Starting from the results previously obtained, participants perceived a consumer-oriented brand as less authentic than a product oriented brand ( $p < .028$ ). Similarly, participants manifested lower purchase intention for a consumer oriented brand than a product oriented brand ( $p < .021$ ).

From a regression analysis, it resulted that the new  $p$ -value for the effect of consumer orientation on purchase intention ( $p = .06$ ) was higher than the previously observed value. As a result, authenticity has a significant effect, while the effect of consumer orientation was reduced and became only marginally significant ( $.06 > .028$ ). Therefore, consumer orientation leads to lower purchase intention through lower perceptions of authenticity, meaning that perceptions of authenticity acts as a mediator.

*Skepticism.* I investigated the mechanism according to which a more skeptical consumer might perceive a consumer oriented brand as even less authentic. Indeed, I predicted that perceived authenticity might be moderated by individuals' skepticism.

In order to investigate whether skepticism plays a role in strengthening the perceptions of authenticity for a not consumer oriented brand, I performed a two-way ANOVA.

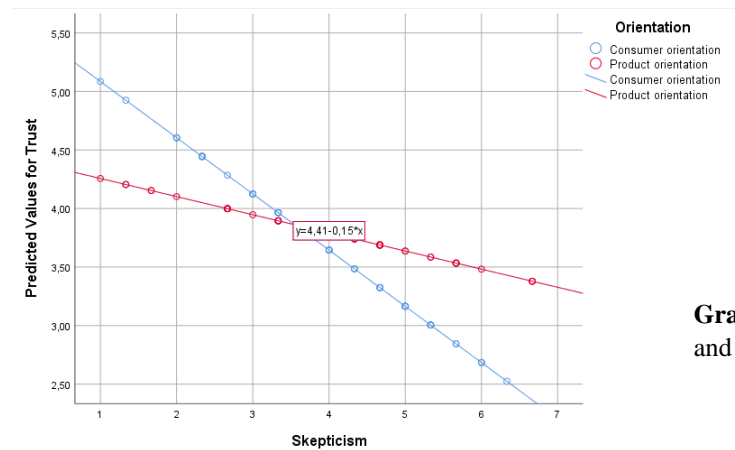
Preliminary to conducting the univariate test, three different items all regarding skepticism were averaged (*I am not easily convinced*, *I do not trust others opinion* and *I consider myself a skeptical person*;  $\alpha = .936$ ) and the resulting measure was used as the dependent variable.

When considering skepticism together with orientation, the interaction between skepticism and orientation did not produce significant results for perceived quality ( $p < .375$ ), neither WOM ( $p < .996$ ). On the contrary, there was a significant result for trust ( $p < .007$ ), perceived authenticity ( $p < .003$ ) and for purchase intention ( $p < .007$ ).

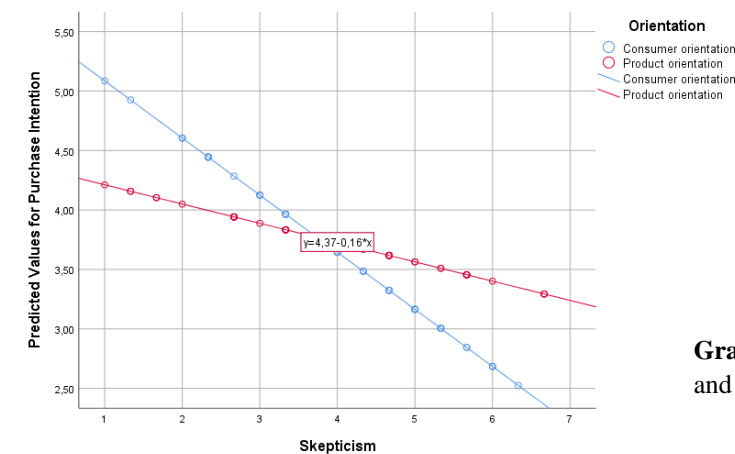
In general, for all the variables (trust, perceived authenticity and purchase intention) the more skeptical the participants in the study, the less they trusted the brand (see Graph 1) and the less they perceived it as authentic (see Graph 2). Similarly, participants with the highest degree of skepticism expressed a lower purchase intention (see Graph 3).

The study revealed that this effect is mitigated by the product orientation: indeed, participants with a high level of skepticism seem to trust more a product oriented brand. On the contrary, the effect is emphasized by the consumer orientation: skeptical participants seem to trust even

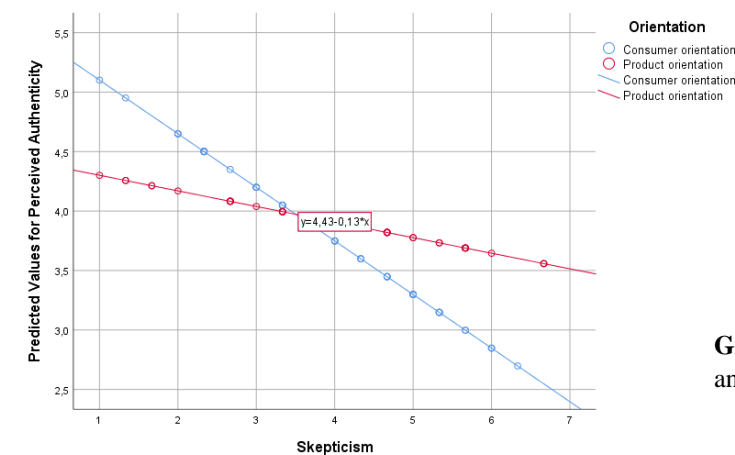
less the consumer oriented brand. The same effect resulted for perceived authenticity and purchase intention, since participants seem to perceive the product oriented brand as more authentic and express higher purchase intention for such a brand, compared to a consumer oriented brand.



**Graph 1.** The interaction between skepticism and orientation on *trust*.



**Graph 2.** The interaction between skepticism and orientation on *purchase intention*.



**Graph 3.** The interaction between skepticism and orientation on *perceived authenticity*.

## GENERAL DISCUSSION

Starting from the assumption that consumers today seem to be dissatisfied with brands' commercial motives and lack faith in marketing (Beverland et al., 2008), their need for authenticity is increasing and as a result, will drive marketers to rethink their strategies. Indeed, I investigate how certain companies might be better off giving the impression that their decisions are not intentionally driven by the market. The main assumption is related to the fact that a company should not avoid a customer orientation *per se* but that its orientation might impact consumers perception in terms of authenticity. It might be true that brands that are customer centric might have higher chances to get to the consumers, however they are building their reputation by reaching out to the consumers and this might be perceived as less authentic, since it might decrease the focus on the intrinsic features of a product.

In study 1, I provided a list of brands taken from the brand authenticity index and asked participants to indicate whether they perceived these brands as more or less authentic and whether this correlates with a consumer vs. product orientation. Interestingly, the participants in the survey perceived Apple and Amazon, which were the most authentic brands according to the authenticity index, as significantly more authentic than the least authentic brands (Pizza Hut and Prada). Similarly, the most authentic brands were perceived as more product oriented than the least authentic brands. Considering the averaged results, the most authentic brands were also perceived as having a higher focus both on innovation and quality compared to the least authentic brands. Interestingly, when taking into account each brand separately, Prada was rated high on authenticity, however being at the 98<sup>th</sup> position in the brand authenticity index. The already mentioned construct of consumer rejection might explain such perception, since often associated to luxury brands. However, this might also be explained by country-specific differences, being Prada one of the most iconic Italian brands, as well as by the specific definition of brand authenticity used in the index. However, the study conducted for this

research did not take into account nationality differences among participants. It could be interesting to further explore such differences in terms of brand perceived authenticity. Moreover, Prada rated low on innovation: however, this might not be considered as a factor influencing authenticity, as consumers overall rated the brand as authentic. It might in turn be explained by the fact that Prada is rooted in traditions and not on innovation.

It could also be pointed out how product oriented firms were perceived as using less filters in the communication which could be explained by the fact that they let the product speak for itself. In this way, they might be perceived as more spontaneous than brands that are instead focused on a consumer-centric approach, which might be more inclined towards polite and nicer communication activities, undermining brand authenticity perceptions. By stating this, the present research does not intend to say that a product oriented firm is avoiding any effort in the communication but it is how it might be perceived from the consumers' side. This might impact perceived authenticity, given that the firm is not necessarily addressing the needs of consumers, on the contrary it is emphasizing its ability to create such product.

Study 2 found support for perceptions of authenticity: participants were presented with a consumer oriented (vs. product oriented) description of a brand expressed a lower perception of authenticity. In this study, brands were kept anonymous in order to have a more general understanding of perceived authenticity and to avoid any bias. However, in real-life consumers might perceived differently the orientation of a brand. Thus, in an effort to achieve a better understanding on how consumers perceive real-life brands, in study 1 I tried to correlate brand perceived orientation with authenticity perceptions. In study 2, I measured perceived authenticity related to the description of a brand, which might have generated some demand effect or suspicion. However, I tried to decrease this effect by introducing some filler questions in order not to make participants guess my hypothesis and in order to create a sort of distinction between the perceptions of brand orientations and the perceptions of authenticity. This study

supported the hypothesis according to which consumer orientation might be perceived as less authentic: participants in the study indeed expressed higher authenticity perceptions for the product oriented brand. Similarly, the study strengthens the idea that authenticity influences purchase intention: participants expressed a lower purchase intention for brands that they perceive having a consumer orientation. The same resulted from trust, with participants attributing higher trust to the product oriented brand, demonstrating that the social cost that such an oriented firm might incur in, is compensated by the trust from the consumers. The same can be said for word-of-mouth, with participants more likely to suggest the product oriented brand to other consumers, while in terms of perceived quality the orientation of a brand might not necessarily influence this dimension and might not be associated to authenticity. Finally, skepticism strengthened the effect of orientation on purchase intention, trust and perceived authenticity.

#### Potential limitations and further investigation

Two main paradoxes that might result from the topic presented in this research are discussed. First of all, it could be argued that authenticity is difficult to measure, especially in relation to a specific orientation of a brand. However, the present research is focusing on the *perceptions* of consumers in this direction. Thus, one might also argue that brands nowadays should be consumer centric because it is the fundamental assumption in order to sell a product. However, this explanation is not likely obvious in terms of perceptions of authenticity. It might also be argued that the concept of authentic brands is contradictory, since the act of branding might be itself be associated to commercial motives and therefore be far from the notion of authenticity. How can brand authenticity exist? To answer this paradoxical concept, it can be said that a large number of brands refuse to adapt its strategies to be customer-driven. Indeed, they manage to achieve market success even though they do not extensively invest in marketing but they rather focus on making a great product or service (Beverland et al., 2008).

Secondly, another paradox of authentic brands relates to how brands create innovative products while rejecting any role for consumer influence in innovation. This might be justified by the creative intuition behind these kinds of innovations. What the present research is suggesting is that brands might be equally successful in gathering consumer insights by absorbing ideas rather than asking directly consumers for their preferences.

In terms of further investigation, other factors might be measured in order to have a better understanding of the topic. Indeed, other aspects related to the brand might play a crucial role in determining perceptions of authenticity. For instance, the field in which a company is operating might be further investigated to test whether a brand operating in a specific sector might be perceived differently from other brands in different contexts. It would also be interesting to examine the role of the people behind the brands: it might be further investigated to extent to which they are passionate for the product or service and to what extent they are involved in all aspects of production. It might also be examined how likely these people are to emphasize their lack of marketing expertise or commercial motivation and let transparency speak for them. It might result that characteristics like lack of planning, lack of skilled training might be perceived by consumers as a more authentic attitude. This might indeed be an indicator of the fact that these people do not have ulterior motives behind their business practices. In turn, it might sound like a paradox how these people might gain the status of professionals by placing themselves in the opposite direction, rejecting marketing or consumer research.

To conclude, the purpose of this research is not to challenge or go against the well-established marketing construct of consumer-oriented approach, nor it wants to address the validity and benefits which derive from this orientation. Thus, the current paper intends to demonstrate how a different approach, not necessarily a consumer-oriented one, might bring some advantages in terms of perceived authenticity.



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